

# Exhibit 2

1 UNITED STATES DISTRICT COURT  
2 WESTERN DISTRICT OF WASHINGTON AT SEATTLE

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4 MICROSOFT CORPORATION, )  
5 Plaintiff, ) 10-01823-JLR  
6 v. ) SEATTLE, WASHINGTON  
7 MOTOROLA INC., et al, ) May 7, 2012  
8 Defendants. ) Motions  
9 )

10 VERBATIM REPORT OF PROCEEDINGS  
11 BEFORE THE HONORABLE JAMES L. ROBERT  
12 UNITED STATES DISTRICT JUDGE  
13 -----

14 APPEARANCES:

15  
16 For the Plaintiff: Arthur Harrigan, Christopher  
17 Wion, David Pritikin, Richard  
18 Cederoth, Andy Culbert, David  
Killough, David Howard and Shane  
Cramer

19  
20  
21 For the Defendants: Jesse Jenner, Ralph Palumbo,  
22 Norman Beamer, Philip McCune,  
Kevin Post and Neill Taylor  
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1 relief, and do you have to show irreparable harm, presumes  
2 that there's been in this case an infringement or there's  
3 been some breach. The issue is, what's the remedy? And here  
4 the remedy is money, and it will be decided in this case in a  
5 RAND context pursuant to Microsoft's commitment to take a  
6 license. And so, the end game here in this case will  
7 inevitably result in Motorola receiving reasonable  
8 compensation, and that removes any basis for injunctive  
9 relief.

10 THE COURT: Well let me take you back to your  
11 anti-suit briefing, in which you argued that Microsoft would  
12 suffer irreparable injury if there was not an injunction  
13 entered against Motorola, among other reasons that potential  
14 customers wouldn't buy the product because of uncertainty,  
15 that it was a damage to Microsoft's reputation for  
16 reliability, all of those arguments which you were forcefully  
17 making at the time.

18 If Mr. Jenner or Mr. Palumbo were to stand up, they would  
19 say the same thing. So why were you right then, and they're  
20 wrong now?

21 MR. HARRIGAN: Well, Your Honor, in fact Motorola  
22 does not say the same thing. It has done nothing to identify  
23 irreparable harm. Microsoft's irreparable harm actually  
24 began before we even came into the court. And that is that  
25 it had to move its distribution center to the Netherlands

1 because it wouldn't have time to make the change after an  
2 injunction was entered. There were hundreds of people  
3 dismantling its German operations. There was concern about  
4 all kinds of partner relationships being dismembered, because  
5 the German operation is huge and complicated, and there was  
6 no way to comply with an injunction without making the  
7 preparations.

8 And that irreparable harm was already happening. Motorola  
9 has come forward with nothing comparable to that at all.

10 THE COURT: That just seems to me that Microsoft made  
11 a bad legal decision. German law was the same when it set  
12 this up as it is now. And they chose to go into a large and  
13 very lucrative market in the face of law which was known to  
14 them. So, that argument doesn't have much traction with me.

15 MR. HARRIGAN: Well, Your Honor, I'm not trying to  
16 debate the wisdom or the merits of the German legal system.  
17 But the question was, wasn't Microsoft arguing it would  
18 suffer irreparable harm from a German injunction? And the  
19 answer is yes. And it really was irreparable harm. I'm  
20 saying, if you look at Motorola's evidence, they just talk  
21 about, well, there are these cases that say that this might  
22 happen or that might happen. But there is no evidence that  
23 it is happening or it actually would happen.

24 THE COURT: All right.

25 MR. HARRIGAN: For example, some of the cases say you

1 both Motorola and Microsoft has been driven by an attempt to  
2 secure commercial advantage. And to an outsider looking in  
3 at it, the conduct has been arbitrary, it has been arrogant,  
4 and frankly it appears to be based on hubris.

5 When I use the word "hubris" I am reminded of Sophocles'  
6 *Antigone*, when Creon refuses to even bury Polynices; or, for  
7 those of you who want to be more highbrow, Icarus for flying  
8 too close to the sun.

9 These days hubris is usually defined as extreme pride or  
10 arrogance, often associated with the loss of contact with  
11 reality, and an overestimation of one's own competence or  
12 capabilities. In this case, it is an indictment of the  
13 character of the parties.

14 So, returning to the court's self-described role as a pawn  
15 in this chess game, I leave you with one of my favorite  
16 traditional Irish sayings: When the chess game is over, the  
17 pawn and the king go back to the same box.

18 You should think about that. We will be in recess. Thank  
19 you, counsel.

20 (The proceedings recessed.)

21 C E R T I F I C A T E

22 I certify that the foregoing is a correct transcript  
23 from the record of proceedings in the above-entitled matter.

24 /s/ Debbie Zurn May 8, 2012

25 Debbie Zurn, Court Reporter